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UNITED STATES CIVIL SERVICE COMMISSION

BUREAU OF RETIREMENT AND INSURANCE

WASHINGTON, D.C. 20415

IN REPLY PLEASE REFER TO

RI:INS

YOUR REFERENCE

SEP 21 1966

STAT

Washington, D. C. 20004

STAT

Dear

I have reviewed the proof for the brochure of the Association Benefit Plan but am keeping it for reference in the event you would like to discuss any changes. I have only three suggestions.

The last sentence on page 8 does not reflect what I understand has been the actual practice, i.e. limiting the doctors' charges to $30 rather than the benefit payable to $15. For example, if the claim is for 4 doctors' visits at $40 per visit and the Deductible has not been satisfied, it has been the practice to consider only $30 per visit as an allowable expense and pay benefits of $10 ($120 minus $100 Deductible leaves $20 for which benefits are payable at 50%). If this were computed the way the brochure reads, however, the benefit payable would be $30 ($160 minus $100 Deductible leaves $60 for which benefits are payable at 50%) which is still within the limit of $15 per visit. It is up to you and Mutual to decide whether the limitation is to be applied in determining allowable charges or in determining benefits payable but the brochure should show which is applicable.

O.K. RWC

I also suggest some insert after the words "SURGICAL EXPENSES" in paragraph d. on page 7 to indicate that covered charges by a podiatrist or dental surgeon which are in excess of the allowance provided by the Surgical Fee Schedule are covered under Major Medical Benefits.

No. RWC

As I discussed with you on the telephone, we would also suggest the elimination of the act-of-war exclusion on page 11. It has been a cause for some concern on the part of employees overseas and agencies recruiting for overseas employment. All but one of our plans, including all plans underwritten by Mutual, have eliminated the exclusion. The Blues have modified it so that it does not apply except in the event of war in the U. S. or its possessions.

O.K. dwe 11

Whether or not you want to insert the exclusion of "custodial care" is entirely up to you and Mutual. Either way is alright with us.

Would like this line

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STAT [redacted] informed me by telephone the suggestions he was making. We have no objection to his suggested changes.

Attached to this letter is a new Commission seal which we would like to have you use on the brochure in lieu of the old one.

Sincerely yours,

Gordon J. Petersen

Gordon J. Petersen
Assistant to the Chief
Contracts and Instructions Division

Enclosure

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